Gutierrez Encourages Eligible Service Members to Apply for Stop Loss Program Special Pay

Deadline to Apply is December 3, 2010

Rep. Luis V. Gutierrez (D-IL) is encouraging all service members eligible to receive "Stop Loss" special pay to apply before the December 3, 2010 deadline. In recent years, the President and the Secretary of Defense instituted the "Stop Loss" Program, which involuntarily extended the enlistment or appointment of essential military personnel service on active duty, reserve personnel who have been called to active duty, and non-mobilized reserve component personnel who were deployed in support of Operation Iraqi Freedom and Operation Enduring Freedom.

The special pay, up to \$500 per month (or portion thereof) in the Stop Loss Program between September 11, 2001 and September 30, 2009, is tax free for any service member who was in a combat zone. The links below explain how service members can access information on how to apply through each branch of the military, but you must act quickly.

Congressman Gutierrez strongly encourages eligible Service members to apply for the funds they have earned.

"This isn't a giveaway or a lottery, this is payment for serving your country under extreme circumstances," Rep. Gutierrez said. "I wish this had been publicized more effectively by the military, but in the time we have left, we are trying to get the word out to everyone who can apply to do so and do so quickly."

President Obama recorded a <u>video message</u> to veterans on September 15, 2010 to encourage applications for Stop Loss special pay. The Department of Defense has the following website with additional details and links to claim forms for veterans and their families:

http://www.defense.gov/stoploss

- . Specific information for each branch can be found below:
 - Army Stop Loss
 - Navy Stop Loss
 - Marine Corp Stop Loss
 - Air Force Stop Loss

Eligible service members should print, complete and sign the Department of Defense Form 2944, Claim for Retroactive Stop Loss Payment and submit it to their respective military service (Link).

Background: Congress allocated \$534.4 million in the FY09 Defense Supplemental to provide retroactive Stop Loss special pay for approximately 185,000 service members who were in Stop Loss status during the period September 11, 2001 through September 30, 2009. Retroactive pay is \$500 per month (or portion thereof) and tax free for any month that the service member was in a combat zone. Eligible service members have until

December 3, 2010 to file for payment. Service members, veterans, and beneficiaries of service members who were involuntarily extended under Stop Loss during this period are eligible to apply for the funds.

Defense Secretary Gates stated that the average payout was about \$3,800, but for service members who reached the maximum allowance the total payout could be as high as \$9,000 for an involuntary extension of 18 months. The Department of Defense estimates that 145,400 personnel are eligible, but the Services have only paid out 67,000 claims for a total of \$251M.

The program was due to expire on Oct 21, 2010 but Congress extended the deadline to December 3, 2010 in the Continuing Resolution that funds federal government operations. The Stop Loss Authority was used most extensively by the Army, but also by the Marine Corps, Navy, and Air Force during portions of the eligible time period.